



Lennox Begins Acquiring U.S. Dealers

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RICHARDSON, Texas, April 6 /PRNewswire/ -- For the first time in its 104-year history, Lennox Industries Inc. announced its intent to aggressively pursue the acquisition of select dealerships in the U.S. The company intends to build a network of retail sales and service operations focused primarily on the residential heating and cooling market.

In addition to dealer acquisitions, Lennox is fortifying support programs for all Lennox dealers.

"These actions are in response to an increasingly competitive business environment that is being shaped by utility deregulation and industry consolidation," said Bob Schjerven, President of Lennox Industries.

"For over 100 years, Lennox has been committed to independent dealers, providing strong support to keep them viable and competitive," Schjerven continued. "We have no intention of jeopardizing this unique strength.

"By pursuing the acquisition of select individual dealerships in the U.S., while expanding and strengthening our support programs for all Lennox dealers, we will maintain a strong market presence," he said. "In effect, we are creating an umbrella under which all Lennox dealers -- acquired, associate, and independent -- can differentiate their businesses, thrive, and prosper."

Lennox outlined a three-part strategy that includes actively supporting independent Lennox dealers with a broad array of support programs, forming a stronger relationship with dealers who remain independent through a newly created Associate Dealer Agreement, and vertically integrating by aggressively pursuing independent dealership acquisitions.

Jim Mishler, formerly Lennox' Vice President and General Manager North American Residential Sales and Distribution, has been appointed to the position of President of the new retail organization, named Lennox Inc. Prospective candidates are being interviewed for Mishler's former position. Mishler is also organizing a management team to help provide leadership for the new organization.

Last fall, Lennox began to acquire dealers in Canada to build a retail distribution network offering full sales and service functions. That organization has since expanded to a network of over 40 companies.

"Lennox' successful experiences in Canada demonstrates that we can own dealers in a market and still work with independent dealers in a manner beneficial for everyone," Schjerven said.

A leading manufacturer of heating and air conditioning equipment, Lennox sells its products through a network of over 6,000 North American dealerships.

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from such statements. For information concerning these risks and uncertainties, see Lennox' publicly available filings with the Securities and Exchange Commission. Lennox disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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